United Nations A/66/7/Add.21

General Assembly

Distr.: General
13 December 2011

Original: English

**Sixty-sixth session**
Agenda item 134
**Proposed programme budget for the biennium 2012-2013**

# Review of arrangements for funding and backstopping special political missions

## Twenty-second report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2012-2013

## I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General entitled "Review of arrangements for funding and backstopping special political missions" (A/66/340). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The report of the Secretary-General is submitted pursuant to General Assembly resolution 65/259 (sect. XIII, para. 7), in which the Secretary-General was requested to conduct a thorough review of the current funding and backstopping arrangements for the special political missions with a view to identifying possible alternatives, and to report thereon to the General Assembly at its sixty-sixth session.

3. In his report, the Secretary-General states that the review found that current funding arrangements for special political missions and their backstopping arrangements presented challenges in three respects. First, in view of their characteristics, the biennial programme budget was not the optimal vehicle to fund special political missions. The Secretary-General highlights the point that special political missions may be added or expanded in mid-cycle, including within an annual cycle, although the regular budget is biennial. Secondly, the current practice of financing much of the capacity at Headquarters for backstopping through the support account for peacekeeping operations and generally limiting the use of that capacity to peacekeeping, inhibited the optimal utilization of Secretariat capacity. Thirdly, the current funding arrangements for special political missions lacked the flexibility to respond effectively to funding requirements during mission start-up, expansion or transition (A/66/340, para. 4).



Please recycle

4. To address these challenges the Secretary-General puts forward options to change the current funding arrangements, which he states are aimed at two fundamental purposes: to create a funding framework for special political missions that better accommodates the volatility and unpredictability of their resource requirements and operational characteristics than does the programme budget; and to enhance efficiency by eliminating barriers to access to backstopping capacities by special political missions based on their funding source (ibid., para. 5).

5. In paragraph 13 of his report, the Secretary-General states that the inclusion of special political missions in the programme budget has progressively affected the programme budget process by situating their requirements in the context of the negotiation of a total budget envelope, placing pressure on other budgetary requirements (see sect. II below).

**General comments and observations**

6. **The Advisory Committee is of the view that the increasing utilization of the mechanism of special political missions as part of the United Nations efforts towards the maintenance of international peace and security, as well as their expanded scope and size, justify a reassessment as to which arrangements for their funding and backstopping would best facilitate the effective and efficient delivery of their mandates. When viewed in comparison to the initial appropriation of $86 million in the 2000-2001 programme budget, the revised appropriation of $1.2 billion for special political missions for the biennium 2010-2011 provides clear evidence of the extent of the change which has occurred over the past decade (see also para. 10 below). In this regard, although current arrangements have proven serviceable in the past, the Committee is of the view that they are no longer optimal. As such, the Committee sees merit in changes being proposed and its recommendations in that regard are contained in the present report.**

7. **The Advisory Committee is of the view, however, that the report of the Secretary-General has a number of shortcomings. While the report details a range of challenges with the present arrangements, the Advisory Committee would have expected a more in-depth analysis of the effectiveness of existing arrangements and a breakdown of the issues that impact on each of the thematic clusters of the special political missions. It is not clear, for example, whether the backstopping of missions under cluster I raises issues comparable to those relating to the start-up and maintenance of larger special missions, such as the United Nations Assistance Mission for Iraq (UNAMI) and the United Nations Assistance Mission in Afghanistan (UNAMA). This lack of differentiated analysis has prevented a fully transparent presentation of the backstopping for issues all special political missions.**

8. Upon enquiry, the Advisory Committee was informed that the implementation of the options presented by the Secretary-General for revised funding arrangements would not, in themselves, engender additional costs for special political missions or their backstopping. However, the Advisory Committee notes that an analysis of the impact of a change in the financial cycle for special political missions on General Assembly processes, including any possible cost implications, has yet to be undertaken. **While noting the statement of the Secretary-General that the implementation of the various options in his report would have no financial**

**implications, the Advisory Committee notes that the analysis of the Secretary-General is incomplete with respect to the potential costs associated with a change in the financial period for special political missions to 1 July to 30 June (see para. 25 below).**

## II. Funding arrangements for special political missions

9. In section III of his report, the Secretary-General identifies a number of aspects of the current funding arrangements for special political missions which he views as being less than optimal. The Secretary-General asserts, for example, that the inclusion of special political missions in the programme budget has progressively affected the programme budget process by situating their requirements in the context of the negotiation of a total budget envelope, and in so doing placing pressure on other budgetary requirements. The Secretary-General states that the issue of whether it is appropriate to consider resource requirements for these non-perennial aspects of the United Nations peace and security architecture in the context of the programme budget merits consideration (A/66/340, para. 13).

10. The Secretary-General further indicates that the initial appropriation for a biennial programme budget has rarely reflected the full biennial requirement for special political missions and that there are often significant additional resources required in the second year of the biennium. Furthermore, he states that it is difficult to reconcile a programme budget designed around predictability with the volatility of the requirements for special political missions, given their changing mandates. The Secretary-General states that, while the more systematic integration of mission requirements in the proposed programme budgets consequent to resolution 53/206 enhanced budget transparency and simplified funding procedures, it did not solve the problem of predictability and volatility. The Secretary-General highlights the fact that provision for special political missions has expanded, from an initial appropriation of $86 million in the 2000-2001 programme budget to a revised appropriation of $1.2 billion in the 2010-2011 programme budget, with the share of the resources allocated special political missions increasing from 6 per cent of the 2000-2001 programme budget to over 20 per cent in 2010-2011 (ibid., paras. 13 and 14).

11. With regard to the stated volatility of the resource requirements for special political missions, the Advisory Committee was informed, upon enquiry, that this derived from two elements, namely, that new or changed mandates for special political missions can be authorized at any point of the year and the significant impact that such changes can have on the overall level of requirements for special political missions.

12. **The Advisory Committee recognizes that, given their volatility, the inclusion of requirements for special political missions in the programme budget does not facilitate comparison or consideration of other trends in the programme budget and its evolution over a number of bienniums.**

13. The Secretary-General also highlights the fact that special political missions are budgeted on the basis of their mandates and requirements and, as such, do not follow the programme planning and budgeting cycle. He also states that the biennial programme budget arrangements make it difficult to adjust capacity for Headquarters backstopping during the biennium (ibid., para. 15).

14. For these reasons, the Secretary-General states that the present financial calendar for the programme budget is not optimal for special political missions and that the January to December period reflects the requirements of the programme budget. While the current arrangement has proven serviceable, the Secretary-General states that, given the increasing reliance of the special political missions on backstopping services obtained from providers funded through peacekeeping assessments, advantages would arise from aligning the financial year for special political missions with that of peacekeeping operations, namely, from 1 July to 30 June. He considers that this would provide a comprehensive view of backstopping requirements for all field operations, open opportunities for further efficiency gains through the global field support strategy and ease the administrative aspects of transition from peacekeeping operations to special political missions, or vice versa (ibid., para. 16).

15. The Secretary-General further states that the expenditure classification under the programme budget is not fully aligned with the expenditure classification for peacekeeping operations, which better reflects the requirements of field operations. The Secretary-General indicates that the increased levels of field-based special political mission activity have made the limitations of using the programme budget expenditure classification more apparent (ibid., para. 17).

16. The Secretary-General states that in order to increase transparency and solve the problems outlined in paragraphs 13 to 17 of his report, the General Assembly may wish to consider the alternative of establishing a special and separate account for the funding of special political missions that would be budgeted, funded and reported upon on an annual basis, with a financial period of 1 July to 30 June. Transitional arrangements by which such a change would be implemented, if it were approved by the General Assembly, are also outlined (ibid., paras. 18 and 19).

17. A second option is also advanced by the Secretary-General, namely that funding for special political missions would be put forward annually in a new, totally distinct section of the programme budget (ibid., para. 20). The Secretary-General states, however, that although it would improve transparency, this option would not fully address the problems identified with the current arrangement.

18. During its consideration of the report of the Secretary-General, the Advisory Committee sought further clarification with respect to a number of aspects of the existing funding arrangements which were identified by the Secretary-General as being problematic. This was done to facilitate an assessment of both the nature and extent of any shortcomings.

19. As noted in paragraph 9 above, the Secretary-General states that the present arrangements have progressively affected the budget process and have placed pressure on other budgetary requirements. The Secretary-General further states that the issue of whether it is appropriate to review requirements for special political missions, which he refers to as non-perennial aspects of the peace and security architecture, in the context of the programme budget merits consideration (ibid., para. 13).

20. The Advisory Committee was informed, upon enquiry, that the assertion that the placement of special political missions in the programme budget exerts pressure on other budgetary requirements was related to two issues. First, while the budget outline provides an approximate basis for Member States' own budgetary planning,

significant changes in the overall level during the biennium can be problematic for some Member States in terms of their budget planning and approval processes. Secondly, special political missions are considered non-perennial activities in the context of annex I of General Assembly resolution 41/213 and are considered extraordinary expenses in relation to peace and security. The Committee was further informed that the exclusion of funding for special political missions from contingency fund procedures could be seen as reflecting an intention by the Assembly that peace and security needs were not to be "traded off" against other requirements in determining the overall level of the programme budget. The Committee was also informed, however, that it was not possible to identify whether any reductions in the Secretary-General's proposals made by the General Assembly during the budget approval process partially related to the level of requirements for special political missions.

21. The Advisory Committee notes the Secretary-General's assertion that the funding of special political missions within the context of the programme budget has placed pressure on other budgetary requirements. **The Advisory Committee is not clear what "pressure" means in this context and is of the view that issues with regard to resource adequacy and mandate delivery should have been reflected in performance reports.**

22. The Advisory Committee sought clarification concerning the limitations noted with respect to the use of expenditure classifications in the programme budget, which are highlighted by the Secretary-General in paragraphs 16 and 17 of his report. The Committee was informed that while the budgets of special political missions were presented and accounted for under the accounting structure used by the programme budget, field-based special political missions are, in budgetary terms, planned and managed using the more detailed structure used by peacekeeping operations. As such, adjustments were required following budget approval and also at the end of the period for reporting purposes. The Committee was also informed that this was a complex process which, given the differences between the two accounting structures, was prone to error. The Committee was further informed that, unlike peacekeeping missions, the programme budget did not have a cost centre structure that allowed the distribution of resources to the units responsible for managing them, an important mechanism that could assist in budget control and monitoring, particularly in larger field-based special political missions. As such, this process was presently carried out manually, thus creating an additional administrative burden.

23. However, upon enquiry, the Advisory Committee was informed that, in the context of the implementation of the enterprise resource planning project (Umoja), a new chart of accounts, which should allow harmonization and consistency across all operations, was being developed. The Committee was informed that this new chart of accounts would support the harmonized application of policies developed to support reporting compliant with the International Public Sector Accounting Standards (IPSAS). The Committee was also informed that the implementation of IPSAS and Umoja would bring about harmonization in the related processes. **The Advisory Committee regrets the absence of information on the potential positive impact of the implementation of Umoja and IPSAS. The Committee recognizes, however, that delays in the implementation of Umoja raise doubts concerning how soon any such benefits may be achieved (see A/66/7/Add.1, para. 12).**

24. Upon enquiry, the Advisory Committee was also informed that, from an accounting perspective, the proposed change in the fiscal year for special political missions to 1 July to 30 June would have no overall impact. The Committee was informed, however, that within the Department of Management, responsibility for special political missions would be shifted to the office that currently handles peacekeeping operations. The Committee was also informed that, as field-based special political missions use the same accounting systems, policies and procedures as peacekeeping operations, this transfer of responsibilities might lead to better financial practices. **The Advisory Committee expects that any transfer of responsibility for the backstopping of special political missions between offices will be accompanied by a corresponding transfer of the related resources.**

25. With regard to the option presented by the Secretary-General of establishing a special and separate account for the funding of special political missions that would be budgeted, funded and reported upon on an annual basis with a financial period of 1 July to 30 June, the Advisory Committee notes that the Secretary-General details a number of steps through which, if the General Assembly approved those changes, a transition from current arrangements would be made (A/66/340, para. 19). The Committee notes however, that although not addressed in the report of the Secretary-General, a change in the financial period would impact on General Assembly processes, including the schedule of work of the Fifth Committee and the Advisory Committee, as well as the Department for General Assembly and Conference Management and other Secretariat offices involved in the preparation of the reports concerned. Upon enquiry, the Advisory Committee was informed, however, that no discussions had taken place with the secretariats of the Fifth Committee or the Advisory Committee on the implications or feasibility of the proposed change in financial cycle prior to the presentation of the report. It was stated that it had been assumed that both Committees would strive to keep the overall number of days constant by reducing the fall session and increasing the winter/spring sessions by a commensurate amount. It was further stated, however, that this could only be evaluated accurately once a revised schedule for all Committees had been decided upon. **The Advisory Committee is of the view that the provision by the Secretary-General of an indicative timeline of any revised General Assembly process for budget and non-budget years would have been helpful in this regard. The Committee requests that further information on the implications on General Assembly processes of such a change be provided to the Assembly during its consideration of the Secretary-General's proposals.**

26. **Notwithstanding the shortcomings in his report, as noted above, the Advisory Committee shares the view of the Secretary-General that the present arrangements under which the requirements for special political missions are presented and considered within the context of the programme budget are not optimal and that certain benefits could accrue from the changes proposed.**

27. While additional requirements may arise during the biennium, including changes deriving from inflation or currency fluctuations, the Advisory Committee recalls that the General Assembly has implemented policies and mechanisms to enhance the predictability with respect to the level of resources required for the programme budget. These are reflected primarily in General Assembly resolutions 41/213 and 42/211 and include the budget outline, which provides a preliminary indication of resource requirements, and the contingency fund which defines the

scope for changes resulting from new or revised estimates, as well as procedures to follow if the contingency fund balance is exceeded.

28. **The Advisory Committee recognizes that the level of resources necessary for special political missions to implement their mandates will not be impacted by any change in their budgetary review process or their financial period.**

29. In suggesting that the General Assembly may wish to consider establishment of a special and separate account for the funding of special political missions, the Secretary-General asserts that this would increase transparency and solve the problems described in paragraphs 13 to 17 of his report (ibid., para. 18). **The Advisory Committee is of the view that the assertions by the Secretary-General concerning the projected benefits in terms of transparency are not articulated in his report. Accordingly, the Advisory Committee recommends that the Secretary-General should be requested to further clarify this issue to the General Assembly during its consideration of his report.**

30. **With regard to the option put forward by the Secretary-General of presenting the funding requirements for special political missions under a new, separate budget section of the programme budget, the Advisory Committee is of the view that this would bring limited benefit and would not address all the issues highlighted in the report of the Secretary-General. Accordingly, the Advisory Committee does not favour this option.**

31. **With regard to the option of creating a separate and special account for special political missions with a financial period from 1 July to 30 June each year, the Advisory Committee recognizes that the information received does not fully justify how all the problems enumerated in paragraphs 13 to 17 of the report will be comprehensively addressed by this measure. Nevertheless, the Advisory Committee is of the view that such a change would bring a number of benefits. First, the funding of special political missions under a separate and special account would reduce the degree of volatility within the newly reconstituted programme budget itself. Secondly, the presentation of the budget proposals of special political missions together with those of peacekeeping operations should facilitate their consideration by the General Assembly, including with respect to cross-cutting issues common to all field operations. Moreover, the synchronization of the financial periods of special political missions and peacekeeping operations could also facilitate transitions from one form of mission to another. Finally, should the General Assembly approve the use of the support account to backstop field-based special political missions, the change in financial period would also enable the Secretary-General to better present the variable backstopping requirements at Headquarters together with the budgets of the missions being supported.**

32. **Accordingly, the Advisory Committee recommends the creation of a separate and special account for the funding of special political missions, together with a change in the applicable financial period to 1 July to 30 June.**

**Mission start-up and expansion**

33. The Secretary-General states that special political missions lack well-defined and accessible mechanisms to finance mission start-up and expansion pending the approval of a budget and that advance funding is currently only available through

the envelope of the existing overall budget for special political missions or through the utilization of the mechanism for funding unforeseen and extraordinary expenses. As such, the Secretary-General states that there is no independent, dedicated cash-flow mechanism to enable rapid response (ibid., para. 23).

34. To illustrate the shortcomings of relying on the overall envelope of the existing special political missions, the Secretary-General provides the example of the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) and the United Nations Integrated Peacebuilding Office in the Central African Republic (BINUCA), which were approved in mid-2009 and involved a significant scaling up of the existing presence. The Secretary-General states that as their budgets, each in the range of $18 million to $19 million annually, could not be considered by the General Assembly until the end of the year, they had to rely on unplanned, unexpended balances in the overall provision for special political missions for that biennium. The Secretary-General states that since such balances are not generally known until late in the year, significant delays resulted in their start-up phase. To avoid such circumstances, the Secretary-General states that the expansion of an existing political mission or start-up of a new political mission should not have to depend on other missions underspending their budgets (ibid., para. 24).

35. The Secretary-General indicates that his authority to enter into commitments for unforeseen and extraordinary expenses of up to $8 million as he certifies they relate to peace and security, or up to $10 million for each prior decision of the Security Council with the concurrence of the Advisory Committee, enables actions to be initiated in response to emerging threats. The Secretary-General states, however, that this mechanism is not well-suited to the start-up or expansion of special political missions that have already been mandated (ibid., para. 25). To illustrate this point, the Secretary-General cites the case of UNAMA, in which additional resources related to the significant expansions approved by the Security Council in March of 2008 and 2009 were only authorized nine months later, in each case.

36. The Secretary-General states that, with special political missions having annual budgets as high as $275 million a year, a cash-flow mechanism to enable rapid response during the start-up or expansion of a mandated mission is needed. The Secretary-General points out that this was the purpose for which the Peacekeeping Reserve Fund was established, though its use is restricted to peacekeeping operations.

37. The Secretary-General further highlights the issue of access by special political missions to the strategic deployment stocks. He notes that when the strategic deployment stocks were established, payment was required from the mission concerned prior to drawing from stock, which created a problem when a commitment authority or budget had yet to be approved. The Secretary-General recalls that to address this issue, the General Assembly, in its resolution 64/269, authorized commitments of up to $50 million from strategic deployment stocks by peacekeeping operations in the start-up or expansion phase, with the prior concurrence of the Advisory Committee, with reimbursement to be made after receipt of the appropriation. The Secretary-General states that it would help the start-up of special political missions if they were permitted to draw on the strategic deployment stocks on the same basis as peacekeeping operations (ibid., para. 26).

38. The Secretary-General states that, for the reasons outlined above, the current approach to funding start-up, expansion and transition activities of special political missions is inadequate. In paragraph 27 of his report, he offers the following alternatives, both of which, he states, would solve the problems outlined and would improve performance:

(a) Option 1. Authorize special political missions to access the Peacekeeping Reserve Fund on the same basis as peacekeeping operations;

(b) Option 2. Increase the discretion of the Secretary-General within the programme budget for unforeseen and extraordinary expenses from the current $10 million to $50 million, with the concurrence of the Advisory Committee.

39. In addition, the Secretary-General suggests that special political missions could be authorized to access the strategic deployment stocks on the same basis as peacekeeping operations, namely, in advance of the corresponding budget appropriation, by extending the provisions of General Assembly resolution 64/269 concerning access to and reimbursement of the stocks to special political missions (ibid., para. 28).

40. As noted in paragraph 7 above, the report of the Secretary-General has shortcomings with respect to some of the analysis provided concerning the extent of any difficulties created by the existing arrangements for funding special political missions. For example, in seeking to illustrate the difficulty of depending on advance funding for the start-up or expansion of special political missions from within the overall envelope for special political missions, delays in preparations for the start-up of UNIOGBIS and BINUCA, both established in mid-2009, are highlighted in the report. The Advisory Committee notes, however, that in accordance with Security Council resolution 1876 (2009), UNIOGBIS was established as of 1 January 2010, and its requirements for that year were included in the Secretary-General's budget proposals for special political missions, in which it was stated, inter alia, that the requirements for start-up activities of UNIOGBIS during 2009 had been accommodated from within the 2008-2009 appropriation of the United Nations Peacebuilding Support Office in Guinea-Bissau (UNOGBIS) (see A/64/349/Add.3, para. 59). Similarly, although BINUCA was established in April 2009, with the transition from the United Nations Peacebuilding Support Office in the Central African Republic (BONUCA) to take place as soon as possible, the Secretary-General also reported that all start-up costs during 2009 had been accommodated within the 2008-2009 appropriation for BONUCA (ibid., para. 42). The Advisory Committee further notes that in both cases, should sufficient funding not have been available within the approved provision for special political missions, the Secretary-General still had the option of funding under unforeseen and extraordinary expenses if delays arose that impacted negatively on either mission.

41. With respect to the mechanism of unforeseen and extraordinary expenses, the Secretary-General states that, while the mechanism enables actions to be initiated in response to emerging threats, it is not well-suited to the start-up or expansion of special political missions. The additional requirements for UNAMA following its expansion in 2008 and 2009 are given as an illustration.

42. The Advisory Committee notes that since January 2009 six special political missions have either been expanded or established (see table 2 below). The Committee was informed, upon enquiry, that during the period the mechanism of

unforeseen and extraordinary expenses was used in respect of special political missions on five occasions, of which one was with the concurrence of the Committee.

Table 1
**Use of the mechanism for unforeseen and extraordinary expenses from 1 January 2009**

| | *Amount (United States dollars)* | *Period covered* |
|---|---|---|
| **Use of the Secretary-General's commitment authority** | | |
| Panel of Experts on the Democratic People's Republic of Korea | 1 709 300 | 1 August to 31 December 2009 |
| Panel of Experts on the Islamic Republic of Iran | 1 438 500 | 1 September to 31 December 2010 |
| Panel of Experts on Libya | 2 235 500 | 1 April to 31 December 2011 |
| United Nations Representative to the Geneva International Discussions | 150 800 | 1 to 31 May 2011 |
| **Concurrence of the Advisory Committee on Administrative and Budgetary Questions** | | |
| United Nations Support Mission in Libya | 9 961 600 | 16 September to 16 December 2011 |

43. From the information provided, the Advisory Committee notes that existing arrangements, namely, the envelope of approved resources for special political missions and the mechanism for unforeseen and extraordinary expenses, have been sufficient to meet the initial requirements for start-up, expansion or transition of special political missions on most occasions. The Committee recognizes, however, that in recent years, field-based special political missions have increasingly been given mandates to fulfil a broad range of tasks, and their size and cost now vary significantly. While they may be atypical, it is apparent that the existing arrangements could not have provided sufficient advance funding for special political missions of the size of UNAMA or UNAMI, whose approved resources for 2011 amounted to $257.4 million and $200 million, respectively.

44. **While it is not possible to predict the level of requirements that may arise in the future, the Advisory Committee considers that the mechanisms in place should be adjusted such that they enable the Secretary-General to respond in a timely manner to decisions taken with regard to field-based special political missions. As such, the Committee sees merit in the proposal that changes be made to the current arrangements available for the start-up, expansion or transition of field-based special political missions.**

45. One option put forward by the Secretary-General is to allow special political missions to access the Peacekeeping Reserve Fund on the same basis as peacekeeping operations. A second option presented is to increase the discretion of the Secretary-General for unforeseen and extraordinary expenses from the current

$10 million to $50 million, with the concurrence of the Advisory Committee. It is stated that both would address the current problems.

46. With respect to the change proposed in the mechanism for unforeseen and extraordinary expenses, the Advisory Committee sought clarification as to the basis for the proposed level of $50 million. The Committee was informed that this was based on the approximate resource requirements for the two largest special political missions (UNAMA and UNAMI) for approximately 2 to 2.5 months. It was stated that since the time between mandate and budget approval can exceed two to three months, the figure of $50 million was taken as an approximate threshold and represented a ceiling.

47. Upon enquiry, the Advisory Committee was provided with information on the level of funding required in the first full year after establishment or expansion of field-based special political missions since 1 January 2009 (table 2 below).

Table 2
**Establishment and expansion of field-based special political missions since 1 January 2009**

| *Mission* | *Mandate* | *Date* | *Approved budget for first full year of operation* | *Pro-rated cost for four months of operation* |
|---|---|---|---|---|
| | | | *(United States dollars)* | |
| UNAMA | Expansion | 23 March 2009 | 87 million[a] | 29.0 million |
| BINUCA | Transition from existing special political mission | 7 April 2009 | 17.4 million | 5.8 million |
| UNIOGBIS | Transition from existing special political mission | 26 June 2009 for 1 January 2010 | 18.6 million | 6.2 million |
| UNOCA | New | 30 August 2010 | 3.5 million | 1.2 million |
| BNUB | Transition from existing special political mission | 16 December 2010 | 22.2 million | 7.4 million |
| UNSMIL | New | 16 September 2011 | 32.6 million | 10.9 million |

*Abbreviations*: BNUB, United Nations Office in Burundi; BINUCA, United Nations Integrated Peacebuilding Office in the Central African Republic; UNAMA, United Nations Assistance Mission in Afghanistan; UNIOGBIS, United Nations Integrated Peacebuilding Office in Guinea-Bissau; UNOCA, United Nations Regional Office for Central Africa; UNSMIL, United Nations Support Mission in Libya.

[a] Increase in approved budget for UNAMA for 2010 following expansion of mandate.

48. The Advisory Committee was informed that, while advance funding would normally be required for a period of approximately three months, many of the initial requirements were related to non-recurrent costs, such as the purchase of vehicles and information technology and communications equipment and requirements for facilities. Given the procurement lead times involved, early funding for such items is considered critical, as delays in their acquisition can negatively impact on mandate delivery. Therefore, in order to assess the likely level of the advance funding requirements for the missions listed, a pro-rated amount representing one third of the full year's resources has been shown for illustrative purposes. The Advisory Committee notes that the amounts concerned range from $1.2 million in

the case of UNOCA to $29 million in the case of the additional requirements for UNAMA following its expansion in 2009.

49. The Advisory Committee notes that, should the General Assembly approve an increase in the discretion of the Secretary-General for unforeseen and extraordinary expenses to $50 million, funding for any expenses approved under such a mechanism would continue, as is presently the case, to be funded from the working capital fund. Any charges would then be reflected in the first or second performance report, as appropriate. The Advisory Committee notes, however, that, should circumstances require the use of this mechanism for significant levels of funding during a particular period, this could limit the options available to the Secretary-General to meet unforeseen requirements that may arise in other areas of the programme budget.

50. The Advisory Committee recalls that the Peacekeeping Reserve Fund was established by the General Assembly in 1992 in its resolution 47/217 at a level of $150 million. Under the procedures approved at the time of the establishment of the Fund, the Secretary-General could, with the prior concurrence of the Advisory Committee, enter into commitments of up to $50 million in respect of peacekeeping operations in the start-up or expansion phase. The Committee recalls that this limit was raised to $100 million by the General Assembly in its resolution 64/269.

51. **The Advisory Committee is of the view that providing access by special political missions to the Peacekeeping Reserve Fund is the better option. It is clear, however, that levels of resources for start-up or expansion for the majority of special political missions are significantly lower than those for peacekeeping operations. As such, the Committee does not consider that they require the same level of access to the Fund. Taking into account the historical pattern of their requirements, the Advisory Committee recommends that the General Assembly approve access, with the prior concurrence of the Advisory Committee, to the Peacekeeping Reserve Fund of up to $25 million per decision of the General Assembly or Security Council relating to the start-up or expansion phase of field-based special political missions (see also paras. 55 and 56 below). Should the General Assembly approve such access, it may be appropriate to rename the Fund to reflect its expanded use.**

52. **The Advisory Committee is of the view that the current level of the Peacekeeping Reserve Fund is sufficient to accommodate any likely additional requirements for field-based special political missions in addition to meeting the needs of new and expanding peacekeeping operations.** In this regard, the Committee recalls the decision of the General Assembly in its resolution 64/269 to authorize peacekeeping operations to draw upon up to $50 million in strategic deployment stocks, with replenishment being made on initial appropriation. As a result of that decision, missions no longer have to fund the costs of the equipment and material from a commitment authority funded through the Peacekeeping Reserve Fund. The Secretary-General is therefore now able to draw on a total amount of $150 million to fund and equip the start-up or expansion of peacekeeping missions, $100 million from the Peacekeeping Reserve Fund and $50 million from strategic deployment stocks.

53. In paragraph 28 of his report, the Secretary-General suggests that the provisions of General Assembly resolution 64/269 concerning access to and reimbursement of the strategic deployment stocks by peacekeeping operations be

extended to special political missions. Doing so, he states, would allow special political missions to draw upon strategic deployment stocks in advance of the corresponding budget appropriation.

54. Upon enquiry, the Advisory Committee was informed that since the strategic deployment stocks were established in 2002, special political missions have been provided with stocks valued at just over $20 million. These have primarily been for the United Nations Mission in Nepal (UNMIN), UNAMI and UNAMA. The Committee was further informed, however, that the extent to which this limited utilization reflected liquidity constraints caused by the requirement for funding to be available for immediate replenishment of stocks could not be ascertained.

55. **The Advisory Committee recognizes that the timely start-up or expansion of a mission can enhance its ability to deliver on its mandate and recalls that the strategic deployment stocks were established to mitigate delays during such phases.** In allowing access to these stocks by peacekeeping operations without the need for immediate replenishment, the General Assembly, in its resolution 64/269, recognized that there were circumstances in which this might facilitate the start-up and expansion phases of such missions.

56. **The Advisory Committee is of the view that allowing special political missions to have access to the strategic deployment stocks on the same basis as peacekeeping operations has merit. However, taking into account that their requirements in terms of material and equipment do not, in general, match those of peacekeeping operations, the Committee is of the view that special political missions would not require the same level of drawdown from the strategic deployment stocks as peacekeeping operations. Accordingly, should a decision of the General Assembly or the Security Council relating to the start-up or expansion phase of a special political mission result in the need for expenditure, the Advisory Committee recommends that the General Assembly authorize commitments, with the prior concurrence of the Advisory Committee, of up to $25 million for strategic deployment stocks in advance of the corresponding budget appropriation.**

## III. Headquarters backstopping of special political missions

57. In paragraphs 29 to 42 of his report, the Secretary-General addresses the issue of arrangements for the backstopping of special political missions. The Secretary-General indicates that the Department of Political Affairs currently leads 27 of the 31 existing special political missions and that the missions, especially those in the field, require complex Headquarters backstopping for planning, direction and substantive support. Such requirements have, it is stated, increased in recent years as the number of mandated tasks related to the missions' political work has increased.

58. The Secretary-General highlights the fact that the Department of Political Affairs does not have a flexible mechanism for responding to the changing requirements of missions. He also asserts that, as the Department of Political Affairs cannot draw on the support account to build or enter into contracts for capacity in relation to mission needs, and as the programme budget does not readily adapt to short-term changes in Headquarters staffing needs, the Department has had to fill

capacity gaps by undermining coverage of other countries and regions, by seeking extrabudgetary funds and by taking other ad hoc measures (ibid., para. 31).

59. With regard to administrative backstopping, the Secretary-General indicates that the Executive Office of the Department of Political Affairs provides administrative support to 13 of the 17 missions in thematic clusters I and II, while the Department of Field Support provides logistical and administrative backstopping support to the 15 special political missions in the field (ibid., para. 32). For Headquarters-based missions, it is further stated that the Executive Office of the Department of Political Affairs provides support in the areas of finance and budget, human resources, information and communications technology and logistics to all but one mission, which is supported by the Office for Disarmament Affairs. The Secretary-General indicates that the number of personnel being administered by the Executive Office of the Department of Political Affairs has increased from 70 in 2008 to 113 at present (ibid., paras. 32 and 33). Details of the division of responsibilities for leadership and administrative support for each special political mission are provided in the annex to the report of the Secretary-General.

60. The Secretary-General states that the creation of the Department of Field Support, with responsibility for supporting the political missions as well as peacekeeping operations, has strengthened the framework for administrative and logistical backstopping, while also offering the opportunity for economies of scale in the delivery of services. He indicates that the service level agreement between the Department of Political Affairs and the Department of Field Support, which came into effect in December 2010, addresses the support provided by the Department of Field Support to Department of Political Affairs-led field missions in all phases of a mission life cycle, including assistance in developing the mission support plan (ibid., paras. 37 and 38).

61. The Secretary-General also highlights the backstopping support provided to special political missions by a number of other Headquarters departments and offices, including the Department of Management, the Office of Legal Affairs and the Office of Internal Oversight Services (ibid., paras. 39 to 42).

62. The Secretary-General notes that significant progress had been made in recent years in improving the institutional arrangements for the backstopping of special political missions (ibid., para. 43). The Secretary-General asserts, however, that although progress has been made in defining roles, responsibilities and accountabilities and in the development of improved tools for planning and guiding missions, deficient funding arrangement for backstopping continue to inhibit the development of a predictable platform for backstopping, reduce the speed and effectiveness of response and limit the utilization of specialized capacities in the Secretariat by special political missions (ibid., para. 44).

63. In this regard, two interrelated issues are highlighted. First, with respect to resources, the Secretary-General indicates that there is insufficient provision for substantive and administrative backstopping of special political missions, which has put a strain on the Department of Political Affairs and other departments. He states that measures have been taken to estimate the resources currently devoted to the backstopping of special political missions, but the findings of this review are considered preliminary. The Secretary-General further states that it would, in any case, be premature to assess capacity requirements without first addressing the flaws in the financing arrangements for backstopping, which, he states, foster gaps,

duplication, inefficiency and non-transparent practices (ibid., para. 45). According to the Secretary-General, the second issue centres on the fact that special political missions do not have access to the backstopping services financed through the support account. This, he asserts, means that it is not straightforward for all the relevant capacities in the United Nations, irrespective of funding sources, to provide needed support and backstopping for special political missions in a transparent and regular manner (ibid., para. 46).

64. The Secretary-General indicates that current arrangements have the effect of defining access to services on the basis of funding source thereby creating incentives either to obscure the operational realities, to replicate existing capacities or to establish administratively burdensome cost recovery procedures for mobilizing the requisite expertise. The Secretary-General further states that special political missions require administrative and logistical support from the Department of Field Support and substantive support from the Department of Peacekeeping Operations (notably from the Office of Rule of Law and Security Institutions), both of which are overwhelmingly funded from the support account. In this regard, the Secretary-General highlights that the General Assembly, in its resolution 61/279 and subsequent resolutions, stressed that the support account was to be used for the sole purpose of financing the resource requirements for backstopping and supporting peacekeeping operations at Headquarters, and that any change in this limitation required the prior approval of the Assembly (ibid., paras. 47-49).

65. The Secretary-General states that he believes it is necessary to cease defining access to services by funding stream and that, in principle, all field-based special political missions should have access to the full range of capacities extant within the Secretariat. A number of approaches are put forward to provide the required access (ibid., paras. 50 and 51):

(a) Option 1. Make the support account available to all departments and offices to fund their variable backstopping requirements in relation to the field-based special political missions and confirm the responsibility to support special political missions, while maintaining the existing arrangements for the financing of the support account and the Global Service Centre. It is stated that this approach would solve the problems with backstopping described in the report of the Secretary-General;

(b) Option 2. Should the General Assembly decide to establish a special and separate account for special political missions, use that account to fund the support account and the Global Service Centre on a pro rata basis in line with the share of special political missions of the total backstopping requirements for both peacekeeping operations and special political missions. It is stated that this approach would also solve the problems with backstopping of special political missions;

(c) Option 3. Authorize the charging of variable Headquarters backstopping requirements to special political mission budgets, which, it is stated, would facilitate access to variable capacity in response to the ebb and flow of special political mission needs. The Secretary-General states that this would, however, make the distinction between the funding of the mission and the funding of Headquarters capacity less clear;

(d) Option 4. Include variable backstopping requirements of special political missions within the support account and the capacity of the Global Service Centre.

It is stated that this approach would solve the problems with backstopping of special political missions. It would require an annual midyear additional appropriation for the programme budget to reflect the share of the special political missions of the backstopping services provided through the support account and by the Global Service Centre.

66. With regard to the exercise to determine the resources currently devoted to the backstopping of special political missions (ibid., para. 45), the Advisory Committee was informed, upon enquiry, that this had been carried out by an external management consultancy firm. The Committee was further informed that the initial findings had indicated that backstopping capacity for special political missions was provided by all funding sources. Results had, however, indicated that in most cases existing posts had an additional element of their work related to special political missions support over and above work related to other programme budget or peacekeeping support activities. An assessment had therefore been made of the capacity utilized to support special political missions in terms of "full-time equivalents", which was defined as the amount of staff time equal to one full-time staff member for one year. Across all departments and offices, this had been found to amount to some 232 full-time equivalents. The Committee was informed, however, that the analysis was not conclusive, as there had been no determination of whether this time was over and above a full working day, and, as such, did not provide a basis for concluding how many posts were devoted to the backstopping of special political missions.

67. **In the context of its consideration of the support account, the Advisory Committee expressed the view that there should be a determination made of what constitutes a core or basic capacity necessary to effectively manage and backstop peacekeeping operations and what constitutes a scalable capacity that responds to changes in the level of peacekeeping activity (see A/65/827, para. 51). The Committee is of the opinion that any such determination must, of necessity, take into account an analysis of existing backstopping capacity. The Advisory Committee considers that this position is equally germane to special political missions (see also para. 70 below).**

68. **Accordingly, the Advisory Committee is of the view that information on the existing backstopping capacity for special political missions would have been useful and could have informed the report of the Secretary-General. As such, the Committee regrets that the study carried out to determine such capacity at Headquarters was neither adequate nor conclusive and remains of the view that such an assessment should be completed.** The Committee further recalls that in the context of the support account, three separate consultancies had been initiated to examine the evolution of the support account and how it might develop in future. In each case, the Secretary-General reported that the findings were of limited practical use. **The Advisory Committee is concerned that the Secretary-General has deemed that the results of the recently conducted review of backstopping capacity for special political missions do not meet requirements. The Committee reiterates that its earlier views regarding external reviews initiated by the Secretary-General remain valid (see A/65/782, para. 19, and A/65/827, paras. 50 and 51).**

69. Upon enquiry, the Advisory Committee was provided with information on the number of posts within the Department of Political Affairs used for the

backstopping of special political missions. The Committee was informed that, to a large extent, backstopping responsibilities were carried out by staff on posts funded under the programme budget within the regional divisions of the Department, which at times involved the reallocation of staff time from other core activities. In addition, however, the Committee was informed that presently a total of 14 positions within the Department of Political Affairs were specifically dedicated to backstopping as follows:

(a) Three positions (2 Professional and 1 General Service) funded under general temporary assistance through the programme budget;

(b) Six positions funded from the budgets of special political missions, namely, UNAMI (4 Professional), UNAMI (1 Professional) and the Special Adviser to the Secretary-General on Cyprus (1 General Service);

(c) Five positions funded from extrabudgetary resources, UNSMIL (2 Professional and 1 General Service), BNUB (1 Professional) and the United Nations Political Office for Somalia (UNPOS) (1 Professional).

70. The Advisory Committee notes that the core functions of the Department of Political Affairs and, in particular, its regional divisions, include the backstopping of special political missions (see A/66/340, para. 42 (h)). In this regard, the Committee recalls that, in his report on the implementation of General Assembly resolution 63/261 on the strengthening of the Department of Political Affairs, the Secretary-General stated that, while that resolution had not provided resources specifically for backstopping, the additional staff authorized in other areas had allowed the regional divisions to reallocate some capacities to fulfil backstopping responsibilities, while also relying on extrabudgetary funds and support from the Department of Field Support (A/65/161, para. 23).

71. The Advisory Committee further notes that the Department of Field Support intends to undertake an examination of the common features of the different types of field-based special political missions to facilitate future planning and support requirements (A/66/340, para. 37). The Committee was informed, upon enquiry, that the examination would consider the projected operations and specific situational context of each mission and thereby estimate the total mission support backstopping workload and individual backstopping requirements tailored to the needs of each special political mission. It was stated that the results of this examination would be used by the Department of Field Support to inform its operational support plans and requests for resources and would be communicated to the General Assembly. **The Advisory Committee is of the view that the examination to be conducted by the Department of Field Support should provide a comprehensive analysis of its backstopping requirements in respect of special political missions. The Committee requests that the planned examination be completed in a timely manner and looks forward to considering its results, which should be presented to the General Assembly at the earliest possible opportunity (see also para. 67 above).**

72. In his report, the Secretary-General highlights the impact of the restriction placed by the General Assembly in its resolution 61/279, which stipulates that the support account should be used for the sole purpose of backstopping and supporting peacekeeping operations at Headquarters, and that any changes in that limitation require the prior approval of the Assembly. In this regard, the Advisory Committee

notes that at present a significant segment of the Headquarters backstopping of field-based special political missions, namely the administrative and logistical support provided by the Department of Field Support, is funded, in large part, through the support account. The Committee notes, however, that as this support is reflected in the reports of the Secretary-General on the support account, the approval of the General Assembly for the use of support account resources for these activities is implicit (see for example, A/65/761, para. 229).

73. The Advisory Committee recognizes, however, that the situation with respect to other backstopping capacities in Headquarters is less clear. The Secretary-General notes, in particular, the areas covered by the Office of Rule of Law and Security Institutions in the Department of Peacekeeping Operations (see A/66/340, para. 48). The Committee was informed that, while on occasion support had been provided to special political missions by the Office, it was unclear whether special political missions could depend on such support being available when requested, and whether the provision of such support using support account funded resources might contravene the existing regulatory framework.

74. **The Advisory Committee is of the view that the current arrangements, by which variable backstopping resources are provided through a variety of disparate funding sources, are not optimal. The Committee is of the view that benefits would accrue if variable backstopping requirements at Headquarters were consistently resourced through one accepted mechanism. This would facilitate adjustment to the level of backstopping resources to account for changes in the number, size and complexity of special political missions.**

75. **With regard to the options presented by the Secretary-General, the Advisory Committee does not consider that the provision of variable backstopping requirements for special political missions through the budgets of special political missions to be the most suitable option. While noting that the Department of Political Affairs is provided with a number of positions in this way, the Committee is of the view that a decision to fund all variable Headquarters backstopping through individual mission budgets would blur the distinction between the resources necessary for mandate delivery in the field and those required for backstopping. In addition, while it could be applied prospectively to any additional backstopping capacity that may be required, the proposal would not address issues related to the use of existing backstopping capacities at Headquarters.**

76. **The Advisory Committee therefore sees merit in allowing the utilization of the existing mechanism of the support account to address the variable backstopping requirements of field-based special political missions. The Committee is of the view that doing so would render greater clarity with respect to backstopping activities and enable the presentation to the General Assembly of a complete picture of the variable backstopping requirements for all field operations. This would also confirm that special political missions should benefit from the specialist capacities available at Headquarters, irrespective of their funding source. Further, it is consistent with the reform envisaged in the global field support strategy, which, inter alia, aims to take advantage of economies of scale to create a more efficient and effective service delivery model for field missions, including field-based special political missions. In this regard, while noting that the Secretary-General sees**

**opportunities for further efficiency gains through the global field support strategy from changing arrangements for the backstopping of special political missions, he has not spelled out how or from where these gains will be derived.**

77. **The Advisory Committee is further of the view that the presentation of all variable backstopping resources supporting field-based operations within the context of the support account would facilitate the adjustment of such resources as missions transition from peacekeeping to special political missions, or vice versa.** In particular, the Committee notes that in such transitions, the substantive lead often changes between the Department of Political Affairs to the Department of Peacekeeping Operations. In this regard, the Advisory Committee recalls General Assembly resolution 59/301, which stipulates that at the end of a mission's mandate, mission-specific posts in the Office of Operations of the Department of Peacekeeping Operations should be disestablished or redeployed and reflected accordingly in the next support account proposal.

78. In his report, the Secretary-General has presented three options under which the variable backstopping requirements of special political missions would be provided through the support account (A/66/340, paras. 51 (a), (b) and (d)). While each would provide access to the support account, the Committee notes that the options differ with respect to how the support account and the Global Service Centre would be funded as follows:

(a) Under option 1, the existing arrangements would continue, with the support account and the Global Service Centre being financed from peacekeeping operations;

(b) Should the General Assembly approve the establishment of a special and separate account for special political missions, option 2 would partly finance the support account and the Global Service Centre on a pro rata basis from that account;

(c) Option 4 would partly fund the support account and the Global Service Centre on a pro rata basis from the programme budget.

79. As noted above, under options 2 and 4, a portion of the cost of the support account would be funded on a pro rata basis in line with the share of special political missions of the total backstopping requirements for both peacekeeping operations and special political missions. As an illustration of level of resources that might apply, the Secretary-General states that, based on the approved budgets for special political missions for 2011 and peacekeeping operation appropriations for the period 1 July 2010 to 30 June 2011, the contribution of special political missions to the support account and Global Service Centre for a full year would be 7.86 per cent, which would equate to some $28,595,000 to the support account and $5,359,000 to the Global Service Centre (ibid., para 52).

80. The Advisory Committee notes that it is intended that the pro rata amount that would be used to partly fund the support account and the Global Service Centre under options 2 and 4 would be calculated based on the approved budgets for special political missions as a percentage of the budgets of peacekeeping operations and special political missions combined.

81. **The Advisory Committee points out that, under the methodology proposed for their calculation, the costs to be applied to the separate and special account, if established, or to the programme budget, under options 2 and 4, would not be**

**linked to the level of support account resources used for the backstopping of special political missions.** Given that, in many cases, the backstopping of special political missions would form one element of the work of the staff member concerned, the Advisory Committee recognizes, however, that it would be administratively burdensome to set up a mechanism to accurately calculate, each year, the portion of support account resources used to backstop special political missions.

82. **Taking this into account, the Advisory Committee recommends that the General Assembly make the support account available to all departments and offices to fund their variable backstopping requirements in relation to the field-based special political missions, while maintaining the existing arrangements for the financing of the support account and the Global Service Centre (see A/66/340, para. 51 (a)).**

83. **The Advisory Committee emphasizes that allowing the support account to be used to fund variable backstopping requirements of special political missions should not, at current levels of activity, lead to additional requirements under the support account.**

## IV. Conclusion

84. In paragraph 56 of his report, the Secretary-General requests that the General Assembly consider the findings of the review and the alternative approaches advanced to address the challenges and shortcomings in the current mechanisms for financing and backstopping special political missions.

85. **Taking into account all its views and observations as set out in the paragraphs above, the Advisory Committee recommends that the General Assembly:**

(a) **Establish a special and separate account for the funding of special political missions that would be budgeted, funded and reported upon on an annual basis with a financial period of 1 July to 30 June;**

(b) **Authorize special political missions, with the prior concurrence of the Advisory Committee, to access the Peacekeeping Reserve Fund for up to $25 million per decision of the General Assembly or the Security Council relating to the start-up or expansion phase of field-based special political missions;**

(c) **Authorize special political missions, with the prior concurrence of the Advisory Committee, to access up to $25 million in strategic deployment stocks in advance of the corresponding budget appropriation if a decision of the General Assembly or Security Council relating to their start-up or expansion results in the need for expenditure;**

(d) **Make the support account available to all departments and offices to fund their variable backstopping requirements in relation to the field-based special political missions and confirm the responsibility to support special political missions, while maintaining the existing arrangements for the financing of the support account and the Global Service Centre.**